

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Behavioral Health	(2) MEETING DATE 8/23/2016	(3) CONTACT/PHONE Darci Hafley 805-788-2156 Cindy Collins 805-781-2932	
(4) SUBJECT Request to approve seven FY 2016-17 renewal contracts and one new contract, with the option to renew for two additional years, in the cumulative amount not to exceed \$533,540, with various Recovery Residence facility providers for short term sober living beds throughout the County. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board approve seven FY 2016-17 renewal contracts and one new contract, with the option to renew for two additional years, with the following Recovery Residence facility providers (formerly referred to as Sober Living): Captive Hearts, Casa Solana, Gryphon, Middlehouse, Restoration House, Restorative Partners, The Discipleship Home, and The Next Step in the cumulative amount not to exceed \$533,540.			
(6) FUNDING SOURCE(S) AB109, State and Federal Grants, 2011 Realignment, General Fund Support	(7) CURRENT YEAR FINANCIAL IMPACT \$533,540	(8) ANNUAL FINANCIAL IMPACT \$533,540	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____ ) <input type="checkbox"/> Board Business (Time Est. ____ )			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001691		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A    Date: <u>8/23/2015</u> Item <u>7</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Morgan Torell			
(18) SUPERVISOR DISTRICT(S) All Districts			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Jeff Hamm, Health Agency Director  
Anne Robin, Behavioral Health Administrator

DATE: 8/23/2016

SUBJECT: Request to approve seven FY 2016-17 renewal contracts and one new contract, with the option to renew for two additional years, in the cumulative amount not to exceed \$533,540, with various Recovery Residence facility providers for short term sober living beds throughout the County. All Districts.

## **RECOMMENDATION**

It is recommended that the Board approve seven FY 2016-17 renewal contracts and one new contract, with the option to renew for two additional years, with the following Recovery Residence facility providers (formerly referred to as Sober Living): Captive Hearts, Casa Solana, Gryphon, Middlehouse, Restoration House, Restorative Partners, The Discipleship Home, and The Next Step in the cumulative amount not to exceed \$533,540.

## **DISCUSSION**

The Health Agency's Behavioral Health Department contracts with various Recovery Residence facility providers to provide safe and sober recovery oriented housing appropriate for individuals who have been identified by the [American Society of Addiction Medicine](#) (ASAM) as requiring short term housing (typically 90 days) in addition to treatment. Clients residing in a Recovery Residence benefit from the structure and stability provided by a recovery oriented environment free of drugs and alcohol while receiving treatment at Behavioral Health. Recovery Residence housing alone is not a solution to substance use disorders, however, it can play a major role in helping the individual recover, and helping them become self-sufficient.

Behavioral Health requires all contracted Recovery Residence facilities to be approved and registered by the [California Consortium of Addiction Programs and Professionals](#) (CCAPP). The process to become a registered Recovery Residence involves complying with local zoning and occupancy ordinances, adequate structure of the recovery home, including structured emergency evacuation procedures, keeping proper documentation and records, and having structured recovery based activities available to residents. Contracted providers are also required to participate in all other Health Agency required contractor trainings including: [Compliance, Privacy, and Fraud, Waste and Abuse](#). The oversight provided by both CCAPP and the County ensure that the contracted Recovery Residences utilized by Behavioral Health are operating at the highest standard.

As the needs of individuals requiring Recovery Residence housing fluctuates, Behavioral Health does not require a minimum number of clients served annually by each facility nor does Behavioral Health guarantee placements in a facility. Each contracted facility also may take private pay and self-funded clients as well. Behavioral Health works to ensure that appropriate housing is available for all clients if needed, and all County subsidized placements are temporary as the client's works with their treatment team toward the ultimate goal of self-sufficiency. Some clients who struggle with addiction may have too many risk factors associated with a certain area, and may be better served in a different community. A description of the geographic location, population served, and bed capacity of each facility is listed in the chart below.

<b>Contractor Name</b>	<b>Location</b>	<b>Population Served</b>	<b>Bed Total</b>
Captive Hearts	South County	Females	10
Casa Solana	South County	Females	21
Gryphon	North County	Males/Females	45
Middlehouse	San Luis Obispo	Males	14
Restoration House	North Coast	Males	30
Restorative Partners	North Coast	Males/Females	17
The Discipleship Home	South County	Males	8
The Next Step	North County	Males	9
Total Available Beds			154

As specified in Exhibit C.4., the Option to Renew section of the contract, the contract may be extended for two one-year periods with the approval of the Health Agency Director. The Health Agency Director may also approve any changes pertaining to types of service(s), service level changes, or rate changes as specified in Exhibit D.30, the Delegation of Authority section of the contract.

#### **OTHER AGENCY INVOLVEMENT/IMPACT**

County Counsel has reviewed the contracts as to form and legal effect.

#### **FINANCIAL CONSIDERATIONS**

The FY 2016-17 Behavioral Health Adopted Budget includes \$533,540 for Recovery Residence services. The table below reflects the funding sources and amounts included in the budget in FY 2016-17 for adult Recovery Residence beds.

<b>Funding Source FY 16/17</b>	<b>Budgeted Amount</b>
AB109 State Realignment Funds	\$ 305,825
Mentally Ill Offender Crime Reduction (MIOCR) State Sward	\$ 48,720
Behavioral Health Treatment Court Collaborative (BHTCC) Federal Award	\$ 54,495
Realignment 2011 Funds	\$ 8,000
General Fund Support	\$ 109,000
Perinatal SAPT Revenue	\$ 7,500
<b>Total</b>	<b>\$ 533,540</b>

The average rate for FY 2016-17 is \$28 per day. The rate increases for individual contractors are due to overall increases in housing costs countywide, increased insurance rates, staffing requirements, food, and transportation costs for each facility. Many facilities did not increase rates for FY 2016-17. A snapshot of the rate changes are indicated in the table below:

Facility	2014-15 Rate	2015-16 Rate	2016-17 Rate	% Increase Or Decrease from Prior Year
Captive Hearts	\$ 40	\$ 40	\$ 33	-17.50%
Casa Solana	\$ 22	\$ 22	\$ 26*	18.18%
Gryphon	\$ 25	\$ 25	\$ 25	0.00%
Middlehouse	\$ 22	\$ 22	\$ 25	13.64%
Restoration House	\$ 20	\$ 21	\$ 22	4.76%
Restorative Partners	\$ 29	\$ 29	\$ 30	3.45%
The Discipleship Home	N/A	N/A	\$ 30	N/A
The Next Step	N/A	\$ 25	\$ 30	20.00%

\*Average rate for Casa I and Casa II.

As indicated by the table below, the actual annual costs for each Recovery Residence facility varies depending on bed availability in each facility, the level of care and program needs for the clients, and the number of clients needing Recovery Residence placement in a particular geographic area. Each contract stipulates a maximum amount of \$533,540 but it is clear in each of the Recovery Residence contracts that the County only pays for actual bed days used. Setting each contract at the maximum amount allows the flexibility to move clients within each facility and add clients without amending their initial estimates.

Facility	2014-15 Actuals	2015-16 Actual	2016-17 Estimate
Captive Hearts	\$ 9,770	\$ 31,180	\$ 25,723
Casa Solana	\$ 52,655	\$ 67,224	\$ 78,428
Gryphon	\$ 159,746	\$ 171,636	\$ 152,499
Middlehouse	\$ 2,466	\$ 16,817	\$ 19,110
Restoration House	\$ 71,575	\$ 142,383	\$ 141,581
Restorative Partners	\$ 46,093	\$ 74,429	\$ 76,996
The Discipleship Home	\$ N/A	\$ N/A	\$ 10,979
The Next Step	\$ N/A	\$ 23,520	\$ 28,224
<b>Total</b>	<b>\$ 342,305</b>	<b>\$ 527,189</b>	<b>\$ 533,540</b>

## RESULTS

During FY 2015-16 there was consistent use of Recovery Residence housing. On average, clients stayed 85 days per each individual stay at a Recovery Residence. Research indicates that a longer stay enhances the overall completion of treatment. FY 2016-17 estimates are based on an average stay of the optimal 90 days.

Selecting multiple qualified vendors allows the County to ensure availability of facilities when the need arises. A list of the actual number of clients served and actual bed days for each facility is below:

Facility	2014-15 Actual		2015-16 Actual		2016-17 Estimate	
	Clients	Bed Days	Clients	Bed Days	Clients	Bed Days
Captive Hearts	3	244	9	780	9	780
Casa Solana	31	2,449	36	3,056	34	3,016
Gryphon	80	6,390	81	6,865	68	6,100

Middlehouse	1	112	9	764	8	764
Restoration House	45	3,579	80	6,780	72	6,436
Restorative Partners	20	1,589	30	2,567	29	2,567
The Discipleship Home	New Contract FY 2016-17				4	366
The Next Step	New Contract FY 2015-16		11	941	10	941
<b>Total</b>	<b>180</b>	<b>14,363</b>	<b>256</b>	<b>21,752</b>	<b>233</b>	<b>20,969</b>

The Behavioral Health Department accepts responsibility for managing placements in the most cost effective manner, while providing the most appropriate treatment option for the individual client. Appropriate placements help Behavioral Health reach its mission to serve clients in the least restrictive setting possible and to advance the goal of assisting individuals with substance use disorders to be as functional and productive as possible in the least costly environments. Providing the most appropriate services to these clients increases their probability of positive treatment outcomes. Furthermore, positive treatment outcomes contribute to the wider County vision of a healthy and safe community.

#### **ATTACHMENTS**

1. Captive Hearts FY 2016-17 Contract
2. Casa Solana FY 2016-17 Contract
3. Gryphon FY 2016-17 Contract
4. Middlehouse FY 2016-17 Contract
5. Restoration House FY 2016-17 Contract
6. Restorative Partners FY 2016-17 Contract
7. The Discipleship Home FY 2016-17 Contract
8. The Next Step FY 2016-17 Contract